

Message Text

CONFIDENTIAL

PAGE 01 LISBON 02535 301313Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 TRSE-00 EB-04 OMB-01 NSC-05
NSCE-00 INR-05 SP-02 CIAE-00 L-01 /041 W
-----310626Z 051586 /15

R 301235Z MAR 77
FM AMEMBASSY LISBON
TO SECSTATE WASHDC 0764
INFO AMEMBASSY BONN

C O N F I D E N T I A L LISBON 2535

LIMDIS

DEPT PASS TREASURY FOR SYVRUD

E.O. 11652: GDS
TAGS: EFIN, ECON, PO
SUBJECT: PROPOSED COMMERCIAL BANK CREDIT FOR SINES

REF: LISBON 2495

1. AS MENTIONED PARA 2 D OF REFTTEL, DILLON READ IS ATTEMPTING TO ORGANIZE COMMERCIAL BANK CREDIT OF \$50 MILLION TO FINANCE SINES INDUSTRIAL PROJECT. EMBASSY DISCUSSIONS WITH DILLON READ OFFICERS AND WITH PRIVATE BANKERS HAVE PROVIDED FOLLOWING INFORMATION ON PROPOSED LOAN. BORROWER WOULD BE SINES AREA COMMISSION WITH GUARANTEE OF GOVERNMENT OF PORTUGAL. LOAN WOULD BE IN THE FORM OF NEGOTIABLE BONDS BEARING VARIABLE INTEREST RATE AT 1.25 PERCENT ABOVE LIBO. LOAN WOULD BE AMORTIZED OVER FIVE YEARS. DILLON READ ATTEMPTING TO ORGANIZE NINE FINANCIAL INSTITUTIONS, BOTH U.S. AND EUROPEAN, TO FLOAT INITIAL ISSUE OF \$50 MILLION. IF ARRANGEMENTS PROCEED SMOOTHLY, ISSUE WOULD BE MADE IN LATE APRIL OR EARLY MAY. IF THIS ATTEMPT SUCCEEDS, DILLON READ ENVISAGES SIMILAR ISSUES FOR OTHER GOP AGENCIES, SUCH AS THE ELECTRIC COMPANY OR THE PETROLEUM COMPANY, DURING LATTER PART OF 1977.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 02535 301313Z

DILLON READ MAY AGAIN LEAD THOSE SUBSEQUENT CONSORTIA BUT INITIAL FEELING IS THAT INDIVIDUAL PARTICIPATING INSTITUTIONS OF THE SINES ISSUE WOULD TAKE LEADERSHIP ROLE IN SUBSEQUENT GROUPS.

2. COMMENT: DILLON READ EFFORT REPRESENTS SIGNIFICANT BUT RELATIVELY SMALL PROGRAM GIVEN PORTUGAL'S TOTAL NEEDS.

SUCCESS OF THIS PROGRAM CANNOT, THEREFORE, BE INTERPRETED
IN ANY WAY AS INVALIDATING THE IMPORTANCE OF THE PROPOSED
MULTILATERAL GOVERNMENT CONSORTIUM CREDIT FOR PORTUGAL.
INDEED, THE DILLON READ EFFORT AND THE CONSORTIUM ARE
INTERDEPENDENT. SHOULD DISCUSSIONS ON THE CONSORTIUM
LOAN APPEAR TO FALTER, IT IS DOUBTFUL THAT THE DILLON
READ EFFORT COULD BE SUCCESSFULLY CONCLUDED.
CARLUCCI

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, FINANCE, LOANS, PROGRAMS (PROJECTS), BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Sent Date: 30-Mar-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LISBON02535
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770110-0162
Format: TEL
From: LISBON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977037/aaaaafyf.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cbd7bab9-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: 77 LISBON 2495
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3140037
Secure: OPEN
Status: NATIVE
Subject: PROPOSED COMMERCIAL BANK CREDIT FOR SINES
TAGS: EFIN, ECON, PO, US, SINES
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cbd7bab9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009